

HOUSE BILL 1548

By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Title 56,
relative to continuity of patient care for prescription
drugs.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-2359, is amended by adding
the following as a new subsection:

(f)(1) Notwithstanding subsection (c), a health insurance policy or health care
service plan contract, that covers prescription drugs shall not limit, reduce, or deny
coverage for any drug, if prior to the limitation, reduction, or denial of coverage:

(A) The insured was using the drug;

(B) The insured was covered under the policy or contract; and

(C) The drug was covered under the policy or contract.

(2) A limitation, reduction, or denial of coverage includes removing a drug from
the formulary or other drug list, imposing new prior authorization or other utilization
management tools, or placing the drug on a formulary tier that increases the patient's
cost sharing obligations or otherwise increases the patient's cost sharing obligations.

(3) Nothing in this subsection shall prohibit an insurer from making uniform
changes in its benefit design that applies to all covered drugs or from increasing cost-
sharing obligations merely due to a percentage coinsurance payment that necessarily
increases with an increase in the underlying drug prices.

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it. This
act shall apply to contracts or policies entered into or renewed on and after July 1, 2009.